

A Special Message from the Executive Director...

I am pleased to announce a very important partnership for our community. The Earned Income Tax Credit Initiative (EITC) is a new, community-wide effort to help low income Tempe and Guadalupe families. *This program returns money from overpayment of federal taxes to workers with modest incomes.*

The IRS estimates that there are nearly 38,000 individuals in Tempe and Guadalupe that are “income eligible” for the Earned Income Tax Credit. Last year, there were 4,429 tax returns from the Tempe area that claimed the credit, bringing over \$10 million dollars back into our community. **The problem is that the estimated unclaimed credits were nearly \$46 million dollars for last year alone!** By not claiming a tax credit that they have earned, eligible Tempe and Guadalupe taxpayers are missing out on dollars that could help them meet basic needs or even get ahead. Our communities are also missing out, because many of these dollars would be spent right here.

Congress created the Earned Income Tax Credit in 1975, but few taxpayers know about it. Over the past few years, several US cities initiated efforts much like ours to promote the credit to their low income working families. Surveys show that past recipients used the tax credit (average = \$1,400 per family) to pay utility bills and credit card bills, buy clothes for children and make long-deferred purchases of furniture and household needs. Many also used the cash to pay for college tuition or to buy a used car to get to work. The EITC is an economic development tool not just for low-income families, but for communities like ours.

When TCC learned about the Earned Income Tax Credit and what it could do for our families and community, we enlisted the support of the City of Tempe, and the Town of Guadalupe to help us put together an Implementation Plan for this tax year. With their enthusiastic support, **we hope to bring an additional \$369,000 into our community** this year through the EITC Initiative. While this goal is modest, it represents the start of a long-term commitment to educate our families and help them receive the tax credit they worked so hard to deserve.

TCC needs your help to make this important initiative a success. You can help by volunteering as a tax preparer at one of our Tempe sites. The IRS is providing a free, 24 hour, on-line tax preparation course for lay individuals to learn basic income tax law for federal and state returns such as Forms 1040, and 1040EZ and related Schedules such as A, B and C-EZ. All volunteers must successfully complete the course by February 1, 2003 and commit to volunteering a total of 15 hours between February 8 – April 15, 2003. We estimate that your participation alone will help bring over \$10,000 additional dollars back to Tempe families and our community. In some instances, your efforts can **help boost a family’s yearly income by up to 30%.**

Volunteers can choose to work at one of five tax preparation sites – Escalante and Westside Multigenerational Centers, Arizona Mills Mall, South Mountain Community College’s Guadalupe Campus, or the Guadalupe Youth Center. Evening and weekend hours are available.

Help our community today for a better tomorrow! For more information, call Tempe Community Council’s Earned Income Tax Credit Volunteer Hotline at 480-858-2323 and request a Volunteer Packet or visit us online at www.tempe.gov/tcc.



Sincerely,
Kate Hanley
Katherine Hanley
Executive Director
480-858-2300